

MINUTES OF THE KANSAS HEALTH POLICY AUTHORITY BOARD

The meeting was called to order by Chair Marcia Nielsen at 8:35 A.M. on January 17, 2006, in the Conference Room 9E/F of the Landon State Office Building, Topeka, Kansas.

Board members absent:

Sandra Praeger, Insurance Commissioner

Board members present:

Garen Cox, CEO, Medicalodges, Inc.

E.J. (Ned) Holland, Jr., V.P. of Compensation, Benefits, Labor & Employee Relations, Sprint Corporation

Connie Hubbell, Senior Vice-President of Community Relations for the Kansas Foundation for Medical Care

Arnetha Martin, Faculty, Wichita State; CEO and Co-President for the Center for Health and Wellness (retired)

Vernon Mills, MD, Pediatrician

Charles Mossman, DC, Chiropractor

Marcia Nielsen, PhD, MPH, Asst. Vice Chancellor for Health Policy, University of Kansas Medical Center

Susan Page, CEO and President of Pratt Regional Medical Center

Joe Tilghman, Regional Administrator, Center for Medicare and Medicaid Services (retired)

Ex-Officio members present:

Roderick Bremby, Secretary of Kansas Department of Health and Environment

Gary Daniels, PhD, Secretary of Social and Rehabilitation Services

Duane Goossen, Secretary of Administration

Kathy Greenlee, Acting Secretary of the Kansas Department of Aging

Howard Rodenberg, MD, Director of Health, Kansas Department of Health and Environment

Board staff present:

Robert D. Day, PhD, Interim Director, Kansas Health Policy Authority and

Director for the Division of Health Policy and Finance

Andrew Allison, PhD, Deputy Director, Kansas Health Policy Authority

Presenters:

Harry Bossi, Director, State Benefits, Kansas Department of Administration

Representative Brenda Landwehr

Representative Melvin Neufeld

Howard Rodenberg, MD, Director of Health, Kansas Department of Health and Environment

Senator Vicki Schmidt

Governor Kathleen Sebelius

David R. Williams, PhD, MPH, Senior Research Scientist and Professor,

Institute for Social Research, University of Michigan

Mary Ellen Wright, Program Manager, Working Health Program

Updates Discussion

Upon calling the meeting to order, Chair Nielsen welcomed the board members and guests. The Chair introduced Kathy Greenlee, Acting Secretary of Aging, to the Board. Secretary Greenlee fills the ex-officio Board position held by former Secretary of Aging, Pamela Johnson-Betts.

The Chair requested that staff identify Health Policy Authority Board (HPAB) meeting dates for August through December 2006. The dates will be confirmed with Board members and posted for the public on the Division of Health Policy and Finance's public meetings Website.

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The Chair noted that along with the Board preparing to assume responsibility of health care programs July 1, 2006, the Board may offer positions on health policy development issues during the 2006 legislative session.

Chair Nielsen stated the HPAB's plan to communicate to stakeholders by publishing HPAB meeting announcements, agendas, minutes and other resources that can be posted electronically, on the DHPF's public meetings Web page and on a soon to be developed HPA Website. The Chair has also asked Chairman Neufeld for permission to post HPAB announcements and documents on the Joint Committee on Health Policy Oversight's Website.

Meeting Minutes

Following each HPAB meeting, Board members will electronically receive a draft of meeting minutes and letter asking them to approve the minutes by e-mail. If there are corrections, they will be addressed at the next scheduled Board meeting. Ned Holland asked that no response from a Board member be viewed as approval.

Garen Cox moved that the HPAB meeting minutes from December 13, 2005 be approved as submitted. Arnetha Martin seconded the motion and the motion passed.

Subcommittee Report - Legal Counsel

Garen Cox, Chair of the Subcommittee on Legal Counsel, announced that the subcommittee had agreed to contact 5 legal firms to request proposals for a limited term contract (no greater than \$25,000 per fiscal year) as allowed under the Professional Services Sunshine Act. Mr. Cox asked the firms to address their interest in a short-term contract, a description of their qualifications, potential for professional conflicts and an estimate of their price structure. The firms contacted are; Lathrop & Gage, Blackwell Sanders Peper Martin, Polsinelli Shalton Welte Suelthaus, PC and Goodell-Stratton. The subcommittee will review proposals and identify 2 firms as finalists to present to the Board for consideration on February 17th.

Subcommittee Report – Retreat

Staff reported that the Board retreat will be held at the Eldridge Hotel on Friday, February 17th and Saturday, February 18th. Two speakers confirmed for the retreat are Dr. Diane Rowland, Executive Vice-President, Kaiser Family Foundation, and Anne Gauthier, Senior Policy Director, Commission on a High Performance Health System, The Commonwealth Fund. A speaking invitation has also been extended to leadership of the Sonia Chambers, Chair, West Virginia Health Care Authority. The retreat agenda will include a discussion of HPA mission, vision for health in Kansas, short-term focus and long range strategic goals, best practices of other state health authorities.

Governor's Address

Governor Sebelius thanked Board members for their willingness to serve and congratulated them on their confirmation by the Senate Oversight Confirmation Committee. The Governor presented a 2 page summary her FY 2007 state budget recommendations for the DHPF. Governor Sebelius explained that her budget recommendation includes a one-year delay in transferring health programs from the DHPF to the HPA. The Governor expressed concern the July 1, 2006 timeframe is too aggressive and believes the one-year delay will allow time for the HPAB to prepare to assume operational responsibility of the programs. In addition, the recommendation calls for the HPA to operate as a distinct program within the DHPF and not as a separate agency between FY 2006 and 2007 (see attachment 1).

To facilitate a one-year program transfer delay, Governor Sebelius noted the Department of Administration is researching the option of developing a Memorandum of Understanding (MOU) between the HPAB & Department of Administration. The MOU would keep the authorizing statute in place and allow for the one-year delay in transferring program responsibility. The Governor stated her recommendation is not to undercut the potential of the HPA, but to allow more time to prepare a long term strategic plan for Kansas.

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Governor Sebelius outlined additional health care budget recommendations for FY 2007.

- Provide insurance for every Kansas child from birth to 5 years of age.
- Business Health Partnership.
- Raise a 50 cent tax on cigarettes to pay for health related initiatives.
- Provide 1 million dollars more for public health clinics.
- Provide field assistance for Medicare Part D enrollees.

The Governor also noted the report from the Special Committee on Medicaid Reform. Governor Sebelius has included funding in her budget recommendations for an Inspector General on Fraud.

DPHF Budget Summary, Dr. Bob Day

Dr. Day referenced the DPHF budget document distributed by Governor Sebelius (attachment 2). The revised FY 2006 budget is \$1,375,162,574. Dr. Day explained the consensus caseload estimation process. He also noted the budget includes state and federal dollars. Dr. Day will provide the Board a breakout of the grand total dollars that are Federal and State. Dr. Day explained this budget does not include off-budget items such as state employee health care costs and worker's compensation.

HPA Budget Summary, Dr. Bob Day

Dr. Day provided the Board a HPA budget summary (attachment 3). Reviewing the HPA budget summary, Dr. Day pointed out that the uncommitted dollar amount is \$61,710.43. If the HPAB agrees to a short-term contract for legal counsel under the Professional Services Sunshine Act, that expense would come from the uncommitted dollar amount.

The DHPF budget document (attachment 2) outlines the proposed HPA amount for the FY 2007 budget is \$476,077 (assumes one-year delay in transfer of programs to HPA). The FY 2006 estimate is \$250,173.

Dr. Day reviewed the proposed HPA organizational chart (attachment 4) and a list of projected HPA resource needs (attachment 5). Both documents are current estimates of what would be needed for the HPA to operate as a separate agency. The projected staff resources for the HPA lists current full-time employees (FTE) of 188.5, the proposed FTE count of 238, and a net add of 49.5 FTE. The Kansas Health Policy Resource Needs table (attachment 6) outlines that the net add of 49.5 FTE may be filled by 28.5 FTE transfers from other agencies and 21 new FTE filled by the HPA.

As outlined in attachment 5, the proposed additional costs for FY 2006 total is \$4,942,850. This amount includes an estimated \$1,917,500 of which is associated with FTE transfers from other agencies.

The Chair noted that the Board needs to submit to the Legislature by March, the projected resources needed for July 1, 2006.

Interagency Agreement with KDHE re: Health Care Governing Board Data

Dr. Day presented an Interagency Agreement between Kansas Health Policy Authority and the Kansas Department of Health and Environment (KDHE). The agreement (attachment 7) allows for the KDHE Division of Health to provide data services related to the health care data governing board functions. The agreement period is from January 1, 2006 to June 30, 2006.

Ms. Connie Hubbell moved that the Board approve the Interagency agreement with the KDHE to provide health data services as outlined in Contract No. KHPA 2006-001. Dr. Vernon Mills seconded the motion. The motion carried.

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Update on Health Policy Authority Programs

At this month's meeting, the Board received descriptions on 3 programs covered by the HPA. Mr. Harry Bossi briefed the Board on the State Employee Health Program and the State Workers Compensation program (attachment 8). Ms. Mary Ellen Wright briefed the board on the Working Health Program (attachment 9).

State of Health in Kansas – Dr. Howard Rodenberg

At the invitation of Secretary Bremby, the Board moved to the Capitol Building (313-S) and joined invited members of The House Health and Human Services, Senate Public Health and Welfare, and the Health Policy Oversight Committees to hear addresses by Dr. Rodenberg, Director of Health with the KDHE and Dr. David R. Williams, Institute for Social Research with the University of Michigan.

Dr. Rodenberg's presentation included an overview of the health of Kansas (attachment 10). The presentation included Kansas population demographics, health statistics, where Kansas ranks nationally on health indicators, and the objectives of Healthy People/Healthy Kansans 2010. Dr. Rodenberg outlined 3 ways that Kansas can proceed to improve the health of all Kansans.

- Inform communities of health status so they can prioritize and evaluate local efforts to improve health.
- Identify and implement primary and secondary preventive "best practices" health policies. (educational, fiscal, legislative, regulatory or environmental)
- Establish high goals and become accountable (e.g. the Health Kansans 2010 project)

Health Disparities – Dr. David R. Williams, University of Michigan

Following Dr. Rodenberg's presentation, Secretary Bremby introduced Dr. Williams. Dr. Williams was a guest of the Department of Health and Environment. Dr. Williams's health disparities presentation highlighted 10 key race and health facts (attachment 11).

As outlined in Dr. Williams presentation -

- Racial/Ethnic differences in health are large.
- In the last 50 years, although overall health has improved, racial differences in health are unchanged or have widened.
- Racial differences in health are not primarily caused by genetic factors.
- Socioeconomic Status (SES) is a central but incomplete explanation of racial differences in health.
- All indicators of SES are not the same across racial/ethnic groups.
- In addition to SES, racism is an added burden.
- Place makes an added contribution to health.
- There are racial/ethnic differences in access to care and the quality of care.
- Minorities are still under-represented among health professionals.
- African Americans have much better mental health than expected.

Dr. Williams discussed methods to reduce inequalities by addressing underlying determinants of health.

The Kansas Cancer Center

The Chair informed the Board that a copy of the Kansas Cancer Center Legislative Briefing Book's Executive Summary is included in their meeting notebooks (attachment 12). The Governor has included \$5 million in her proposed budget to support comprehensive cancer designation for the KU Cancer Center.

Joint Committee on Health Policy Oversight

Members of the Health Policy Oversight Committee were invited to address the Board. Representative Melvin Neufeld, Senator Vicki Schmidt and Representative Brenda Landwehr spoke to the Board.

Chairman Neufeld thanked the Board members for their willingness to serve. Chairman Neufeld challenged the Board to insure all health programs in Kansas are working together to improve the health of Kansans. Recognizing the growing costs for acute and long term care, he asked the Board to identify ways to address prevention policy and programs. Chairman Neufeld encouraged the implementation of e-prescribe as soon as the system can accommodate.

The Board asked Chairman Neufeld for his views on a one-year delay of transferring programs to the HPA. Chairman Neufeld said he was open to an MOU delaying the program transfer for 6 months or a year if the HPAB determines that is what they want to do.

Senator V. Schmidt encouraged the HPAB to consider cost containment issues and strategies when reviewing Kansas health policy and ways to improve the health of Kansans.

Representative Landwehr asked the Board to contribute their own experiences, move beyond the status quo and identify new innovative ways to address health care policy. She asked the Board to consider if there are new ways to encourage personal accountability regarding health insurance. Regarding budgets, she noted the Board should track the implementation of the health care programs and to see that expectations are met. Close loopholes where they exist. She also noted that prevention programs appear in multiple budgets.

Chairman Neufeld, Representative Landwehr and Senator Schmidt all offered the support of the Oversight Committee and asked Board members to let them know when they can be of assistance. Chairman Neufeld invited the Board to post agendas and other HPAB meeting documents on the Oversight Committee's Website pending committee approval.

Medicaid Reform

A copy of the Report of the Special Committee on Medicaid Reform to the 2006 Kansas Legislature was provided to members of the Board.

HPAB Legislative Subcommittee

The Chair asked for Board volunteers to serve on a legislative subcommittee. The subcommittee will work with staff to draft the March report to the Oversight Committee and present to the Board. Subcommittee members will also be available to represent the HPAB at legislative committee meetings or in individual meetings with legislators. Along with the Chair, the subcommittee will include Connie Hubbell, Joe Tilghman and Charles Mossman.

Public Comment

The Chair stated that there will be time for public comment at the end of each HPAB meeting. The Chair asked guests if anyone wished to address the Board. No one wished to speak.

Adjournment

Chairperson Nielsen adjourned the meeting at 3:08 P.M. The next HPAB meeting will be a strategic planning retreat held on February 17th and 18th at the Eldridge Hotel, Lawrence, Kansas.

Marcia Nielsen, Chair

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